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Towards transparency : A report on piloting the Invest-ED tool on private sector investment in education with philanthropic and impact investing actors in Asia

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TOWARDS TRANSPARENCY

A REPORT ON PILOTING THE
INVEST-ED TOOL WITH
PHILANTHROPIC AND IMPACT
INVESTING ACTORS IN ASIA

Prachi Srivastava

Robyn Read

April 2019



B Center for
Universal Education
at BROOKINGS

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Acronyms

| | |
|--------|--|
| AVPN | Asian Venture Philanthropy Network |
| ECOSOC | United Nations Economic and Social Council |
| FCRA | Foreign Contribution (Regulation) Act, 2010 |
| GIIN | Global Impact Investing Network |
| GRI | Global Reporting Initiative |
| IFC | International Finance Corporation |
| IRIS | Impact Reporting and Investment Standards |
| NGO | Non-governmental organization |
| ODA | Official development assistance |
| OECD | Organisation for Economic Cooperation and Development |
| SDG | Sustainable Development Goals |
| SSHRC | Social Sciences and Humanities Research Council of Canada |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UWO | University of Western Ontario |

1. INTRODUCTION

1.1 Relevance and Objectives

The market size of global education is estimated to reach USD 10 trillion by 2030, with new opportunities due to emerging economies of Asia, Africa, and the Middle East (Holon IQ, 2018). Concurrently, education occupies the top priority for many private investors working in Asia (Asian Venture Philanthropy Network [AVPN], 2017). However, there is a paucity of concrete data, limiting the ability of organizations to make decisions about where they should invest, which education sectors and activities to support, and how to improve their operations. There is also little transparency in reporting which inhibits knowledge-sharing amongst the sector. The central concern of this pilot project was to develop an openly accessible tool towards these ends.

This pilot project is tied to a larger regional-level mapping study on the target geographies, education sector priorities, and investment initiatives of non-state private actors in Asia, focusing on private foundations and impact investing actors.¹ The larger study develops a database on non-state private actors investing in education in Asia based on publicly available data. Its aim is to provide and share concrete data to increase transparency of the sector.

The pilot project was designed to enable a more fine-grained understanding of the regional-level picture from the perspective of non-state private actors operating therein. The aims of the pilot project were to: (1) construct a data collection and reporting tool designed to gather data on financing flows and education sector activities; (2) pilot the tool with selected actors operating in the sector; and (3) revise the tool and document the process for further refinement and potential replication in other regions.

The Invest-ED tool was developed specifically for this study by the authors, with input by researchers at the Center for Universal Education, Brookings Institution (see Section 3.1 for the collaboration team and process). It was created with the intention to enable organizations to: (1) assess their priority areas and impact in education through the exercise of collating internal investment and operations data; (2) reflect on the motivations and challenges of operating in the sector through guided interviews; and (3) facilitate transparent reporting and data sharing.

This report provides a detailed overview of the process of developing and piloting Invest-ED. Final data analysis and findings will be the subject of future publications. Invest-ED was piloted with 15 organizations across three countries (India, Japan, and Singapore) in face-to-face and telephone interviews between October 2017 and February 2018, with informal follow-up interviews until April 2018 where necessary. A further four organizations participated in background information meetings in October and November 2017. Participants were provided additional time to complete and return data modules of the tool. This extended until the end of

¹ The larger project is on non-state private actors in education headed by Prachi Srivastava, funded by a SSHRC grant. The study is on South Asia and East Asia and the Pacific. Regions were operationalized using World Bank regional groupings.

April 2018 where requested. Member checking of organizational data and interview excerpts presented in this report were conducted in September and October 2018. Final revisions to the report were completed in February 2019.

The structure of the report is as follows. The remainder of Section 1 provides a summary of the framing literature contextualizing the pilot study. Section 2 outlines the development process of the pilot version of Invest-ED, and a detailed overview of its structure and guidance notes. Sections 3 and 4 are substantive discussions on the pilot experience and on the resulting revisions. Section 3 presents the crux of how the study was conducted. It details the pilot study design and procedure, including the collaboration process; selection process for countries, organizations, and individual participants; pilot study overview; and general procedure. It should be read in conjunction with Section 4, which provides a thorough presentation on how the tool was piloted with the variations that were tested, participant feedback, and a rationale for revisions to Invest-ED.

Section 5 conducts a focused analysis of participant interviews in two areas — data access and systems and reporting compulsions — and the potential impacts on transparency of operations. Section 6 presents concluding insights on: the preliminary analysis of interview data, the Invest-ED tool, and potential for scaling-up the study. The revised version of Invest-ED (Version 2) is presented in full in Appendix I.²

1.2 Framing Literature and Data Gaps

The macro-policy contexts framed by the Sustainable Development Goal (SDG) framework, combined with decades of under-investment in official development assistance to education (UNESCO, 2017), have led to international and domestic stakeholders increasingly mobilizing private-sector resources in attempt to fill shortfalls in education (Moumné & Saudemont, 2015; Srivastava & Baur, 2016; Steer, Gillard, Gustafsson-Wright, & Latham, 2015). There has been a growing interest in philanthropic and hybrid actors (e.g., individual and corporate private foundations, impact investors, social enterprises, corporate social responsibility initiatives, etc.) as potentially catalytic players in education finance.

While not their immediate aim, the SDGs have been mobilized by some as a global declaration for private investment in development sectors (Global Impact investing Network [GIIN], 2016; Riva & Neto, 2016). For some actors that are already engaged, the SDGs provide private investors with a framework to refocus their investment activity. They also encourage new investors to drive private capital towards the SDGs (GIIN, 2016). As a result, non-state private actors have become increasingly interested in development sectors, both as spaces in which to create a positive social impact, as well as from which to earn potentially significant profits

² The pilot version (Invest-ED, version 13 October 2017) is not presented here to minimize confusion owing to the public nature of this report. An annotated copy of Invest-ED Version 2 outlining the main changes was also produced. They may be made available upon request by contacting the Principal Investigator, Srivastava.

(OECD netFWD, 2014; Steer et al., 2015; Thornley et al., 2016). Given the large estimated size of the education market (Holon IQ, 2018; Strauss, 2013), it is not surprising to find analyses showing education as a stated priority for many private investors (GIIN, 2017), including those operating in Asia (AVPN, 2016; 2017). Nonetheless, data on funding flows are less readily available.

Despite the growing buzz on the potential of private investment in education, research on the scope and nature of private sector engagement in education is severely limited. Empirical data on the activities of private actors in education in the Global South are scant (Right to Education Project, 2015; Srivastava & Oh, 2010; United Nations Economic and Social Council [ECOSOC], 2012). Although there is an emerging literature in this area, existing resources focus on a few specific countries (Chia, 2015), i.e., emerging powers like China and India (e.g., Deloitte China, 2016; Sattva Knowledge Centre and Consulting [Sattva], 2017), and target countries where particular donors may be implicitly interested in investing (c.f. Asia Philanthropy Circle, 2017). Furthermore, existing work uses different samples, methodologies, and data collection methods. As noted by Chia (2015), ‘these separate bodies of data or findings, collected at different times and in different circumstances, cannot simply be aggregated to create a comprehensive picture of giving in Asia’ (p. 3), or elsewhere.

The lack of clarity surrounding private investment has not gone unnoticed. In recent years, we have seen an increased push for transparency (Chia, 2015; Parker et al., 2014). Private funders are called on to provide publicly accessible information about their activities, operations and processes, and impact in a timely manner. Some have argued this should include a virtual presence allowing the public to learn about an organization, its work, and its impact quickly and clearly (Parker et al., 2014).

This focus on transparency in the philanthropic and impact investing sectors and a push towards evaluating ‘impact’, have resulted in a rising interest in reporting and transparency standards and guidelines. This is demonstrated by the number of ‘how-to’ guides and resources to help investors navigate impact assessment (c.f. Bridges Ventures, 2013; Mettgenberg-Lemiere, 2016; Toniic, 2012), and reporting frameworks such as the Impact Portfolio Allocation Review (iPAR) by the Caprock Group, the GIIN Impact Reporting and Investment Standards (IRIS) metrics, and the Global Reporting Initiative (GRI) standards and disclosures, among others.³

Such tools provide investors with necessary guidance and metrics and the flexibility of implementing a customized set of indicators to meet reporting compulsions. However, given disparate reporting requirements, and as most reporting exercises are internal, achieving transparency is not always possible. Thus, while the movement towards greater transparency is encouraging, there is an acknowledged need for publicly accessible tools to accurately track and evaluate the complexity of private sector engagement in education (Moumné &

³ In the period between revisions to this report and publication, the International Finance Corporation (IFC) released the *Operating Principles for Impact Management* at the 2019 World Bank Group Spring Meetings. See the following link: https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Impact-investing/Overview/

Saudemont, 2015). There is also a need for shared platforms to collect and analyze data on the investment activities of philanthropic and hybrid actors (ECOSOC, 2012).

This pilot study aims to begin to fill these gaps by reporting on Invest-ED, an original data collection tool constructed with the intention to enable investors to assess their priority areas and impact in education and report on their investments. The tool also aims to allow investors to reflect on the motivations and challenges of operating in the education sector and to facilitate transparent reporting and data sharing. Given the commitment to transparency, Invest-ED references and adapts GRI disclosures within its structure (see Section 2.1). We hope to further develop and employ Invest-ED to enable comparative cross-regional analysis of private investment in education.

2. THE INVEST-ED TOOL

2.1 Invest-ED Development Process

The pilot version of the Invest-ED tool underwent several iterations between June and October 2017. Version 2, provided in this report (Appendix I), was developed by incorporating feedback from pilot study participants and our experiences of administering the pilot version.

We aimed for the tool to be relevant to organizations' world of practice. Before the development phase, we conducted a broad review of existing publicly available reporting and impact evaluation tools, resources, and standards in the fields of philanthropy, impact investment, and social enterprise (see Appendix II for list). This was to provide a relatively more robust framework from which to construct the eventual tool. Reporting standards and frameworks were consulted to ensure transparency and comparability across organizations and contexts, with an eye on future replicability. These are noted challenges in the literature (e.g., OECD, 2018) and in our collective research experience. More practical considerations were to adapt existing resources to suit the parameters of the study.

Of the standards and resources reviewed, the IRIS metrics (IRIS, n.d.) and the GRI reporting standards and disclosures (GRI, 2016) seemed the most relevant potential sources from which to adapt indicators for the tool. IRIS is designed as a catalog of generally accepted performance metrics for impact investors to measure social, environmental, and financial impact (IRIS, n.d., p. 4). In addition to operational and financial indicators, there are sector-specific indicators, including those for education. IRIS education-sector and cross-sector metrics were considered. However, given the product-specific nature of the IRIS education metrics, they were not deemed suitable for the purposes of the pilot study. The operational and financial metrics were deemed to be better suited to microfinance and less relevant to philanthropic organizations, a key focus of this study, owing to their different modalities and financial structures (see Mettgenberg-Lemiere, 2016 for further discussion on IRIS). The GRI standards and disclosures were more suitable for the purposes of the study. They were thoroughly reviewed, adapted, and integrated in the Invest-ED tool as elaborated further below.

The Brookings 'Survey Instrument, v.2' on global education finance developed by the Center for Universal Education, provided the initial skeletal framework and a source for some of the items on the pilot version of Invest-ED. The former was reframed and substantively redeveloped to reflect pilot study aims, in addition to integrating and adapting relevant GRI reporting standards and disclosures.

GRI Standards and Selection of Items for Invest-ED

Founded in 1997, the GRI is an independent international organization, based in Amsterdam, with regional hubs in Brazil, China, Colombia, India, South Africa, and the United States. GRI produces sustainability reporting standards and has established a process for organizations to

publicly report and assess their impacts on a range of sustainability issues. The aim is to enable transparency on the risks and opportunities they face (Global Reporting Initiative, n.d.-a).

The GRI hosts over 23,000 GRI reports in its free, publicly accessible database. These reports are submitted by organizations from more than 100 countries (Global Reporting Initiative, n.d.-b). Many of the world's top corporations have adopted the GRI disclosures (Blasco, King, McKenzie, & Karn, 2017), and there has been increasing interest in the GRI Standards by philanthropic actors in Asia (Mettgenberg-Lemiere, 2016).

The GRI Standards are intended to promote sustainability reporting, or 'an organization's practice of reporting publicly on its economic, environmental, and/or social impacts, and hence its contributions – positive or negative – towards the goal of sustainable development' (GRI, 2016, p. 3). It has a series of universal and topic-based standards and disclosures, including those for the education sector. Certain items in the Invest-ED tool reference and adapt *The Consolidated Set of GRI Sustainability Reporting Standards 2016* (GRI, 2016) and disclosures. The universal and topic-specific disclosures referenced in Invest-ED are presented in Table 1, and further specified next to each item in the tool where applicable. While GRI education-specific items were not appropriate for this study, some of the GRI General Disclosures (GRI 102), GRI Economic Performance (GRI 201), and GRI Indirect Economic Disclosures (GRI 203) were applicable.

In selecting appropriate items for Invest-ED, we first reviewed the entire set of 36 GRI Sustainability Reporting Standards and the GRI Standards Glossary (GRI, 2016). We ultimately selected from the following: GRI 101: Foundation (an overview of GRI standards); 102: General Disclosures (items related to the contextual overview of the reporting organization); GRI 103: Management Approach (managerial approaches of the reporting organization); GRI 200: Economic (economic impact of the reporting organization); and GRI 400: Social (social impact of the reporting organization), with a specific focus on GRI 404: Training and Education. We did not consider items from GRI 300: Environment, as environmental impact was beyond the scope of the study.

Prior to mapping GRI Standards on working versions of Invest-Ed, we collected all potentially relevant GRI indicators. These were sorted into groups: those that mapped directly on draft Invest-Ed items; those that should be considered as additional items; and those that were ultimately determined to be beyond the scope of the study. After completing this exercise, the collaboration team discussed each item in depth to determine which should be included or adapted in the pilot version of Invest-ED (see Section 3.1 for collaboration process).

Organizations applying Invest-ED, whether partially or in its entirety, cannot claim that they meet the requirements to prepare a report in accordance with GRI Standards and procedures for sustainability reporting. For more information on the GRI reporting procedures and standards, consult the 2016 Consolidated GRI Standards (GRI, 2016) and updates on the GRI website.

Despite this caveat, including adapted GRI standards and disclosures in Invest-Ed can enable increased procedural transparency and reporting, and the comparability of data collected through Invest-Ed for three reasons. Firstly, the GRI Standards have a thorough glossary of terms with clear operationalizable definitions. This allows a diverse range of actors across the investment landscape to use a common language to discuss their work and its impact. This was crucial for the pilot study, as different types of actors use very different terms. Secondly, actors that have already instituted GRI processes for general reporting can dovetail with Invest-ED. This minimizes extra effort for organizations to implement the process and allows for integrative internal data collection and review. Lastly, embedding GRI Standards provides an additional incentive to participate and increases the legitimacy of Invest-ED, given GRI's visibility internationally.

2.2 Invest-ED Tool: Overview and Suggested Use

This section provides an overview of Invest-ED. It also presents suggestions for how the tool may be implemented should others wish to replicate or modify the pilot study to match their own objectives (also refer to Sections 3 and 4). Insights and feedback from the pilot process were integrated into the revised version of Invest-ED (Version 2, August 2018) included in this report (Appendix I). The rationale behind the main changes are presented in Section 4.3.

Invest-ED was designed with the intention to enable organizations to:

1. Assess their priority areas and impact in education through the exercise of collating and consolidating internal investment and operations data
2. Reflect on the motivations and challenges of operating in the education sector
3. Facilitate transparent reporting and data sharing

It was devised as a single tool with four inter-related modules. These are:

- I. Background Data on Organization (to be completed in all instances)
- II. Investment in Development Sectors
- III. Education Sector-Specific Investment and Activities
- IV. Decision-Making, Motivations, and Challenges

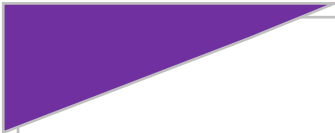
Table 1 below provides an overview of Invest-ED. It presents each module and its main aims; the GRI disclosures that were referenced/adapted and that correspond to the items in each module; the main format of the questions in each module; and how each module was administered in the pilot.

The tool was meant to be flexible in its administration and design. Organizations and researchers should feel free to use it as appropriate for their needs (see Sections 3 and 4 for specifics on protocol and feedback). It is suggested that researchers wishing to conduct a research study, pilot its administration for their purposes and on their sample. Those wishing to implement Invest-ED are encouraged to contact the Principal Investigator (Srivastava) for additional information if required.

The discrete modules may be used separately to gather data for specific reporting purposes. Invest-ED should be completed in its entirety for a complete picture of an organization's investments and activities. Module I should be completed in all circumstances.

Invest-ED can be completed in multiple working sessions or in a single session. Single sessions are appropriate for organizations or researchers that only wish to complete Module I and one additional module. For those wishing to complete three modules or the entire tool, we strongly suggest scheduling at least two working sessions, dedicating a separate session for Module IV. Time between sessions provides time to reflect on the process and to identify data gaps that may require collating additional information from other internal sources.

Invest-ED was initially devised to be administered by an external researcher as a survey or structured interview (Modules I through III) and a semi-structured interview (Module IV) with a single respondent (at most two). However, organizations or researchers may wish to schedule collaborative working sessions with multiple staff in a more participatory manner depending on the aims of the data collection or reporting exercise. This may be useful in cases where a number of staff members or organizational units would be implicated in collating the data, defining priorities, or articulating or assessing impact. Box 1 presents organizational scenarios in which Invest-ED may be applied.

- 
- Large organizations with geographically and sectorally diverse investments
 - Smaller or newer organizations entering the education sector
 - Organizations with complex or disparate internal data on investments
 - Organizations with under-developed data systems on education sector investments and operations and impact indicators
 - Organizations with a compulsion to publicly or externally report

Box 1 Organizational Scenarios for Invest-ED

Whether the tool is administered internally or by an external researcher or facilitator, the following resources will be useful to have on hand:

- Annual/donor reports
- Financial reports
- Investment portfolio: Investees, nature of business/operations/activities, timeframe and amount of investment, exits, co-investors/partners
- Grant-giving portfolio: Grantees, nature of activities, specific area of support (including restricted or unrestricted funding), grant amount, grant period, partners
- Evaluation reports
- Impact or measurement indicators and reports

Some clarifying notes on operationalizations within Invest-ED:

- Financial years vary from country to country. It is important to be explicit about the financial year beginning (Module I, Q8) and the years under review (Module II; Module III). This will need to be accounted for in cross-country analyses.

- Sector operationalizations: Invest-ED uses the World Bank development sector and education sector operationalizations for consistency.

For the purposes of this study, the pilot version of Invest-ED had an embedded consent protocol for electronic and face-to-face administration conforming to the internal institutional ethical review process governing this study (see Sections 3.3 and 3.4). This protocol has been removed from the appended tool. Liability is not assumed. It is understood that researchers or staff members using Invest-ED in their own contexts will obtain the necessary approvals before implementation.

| Module | Aims | Corresponding GRI Disclosures* | Main Format of Questions | Administration in Pilot |
|---|---|---|--------------------------------|--|
| I. Background Data on Organization | <ul style="list-style-type: none"> To collate complete and up-to-date organizational details | 102: General Disclosures 201: Economic Performance | Structured and semi-structured | Targeted survey / structured interview |
| II. Investment in Development Sectors | <ul style="list-style-type: none"> To gather data on investment and operations across all development sectors To report the levels of investment sector-wise and the geographic location of investments | 102: General Disclosures 201: Economic Performance 203: Indirect Economic Impacts | Structured | Targeted survey / structured interview |
| III. Education Sector-Specific Investments and Activities | <ul style="list-style-type: none"> To gather and report on education sector-specific investments and operations (value, sectors and activities, and geographic spread) To ascertain organizational assessments of its impact in education To ascertain investment strategies in education (including expected returns, if any) and challenges | 102: General Disclosures 201: Economic Performance 203: Indirect Economic Impacts | Structured and semi-structured | Targeted survey / structured interview |
| IV. Decision-Making, Motivations, and Challenges | <ul style="list-style-type: none"> To ascertain the decision-making processes of setting priorities and assessing impact of education sector investments and operations To glean a deeper understanding of the motivations and challenges of investing and operating in education To gauge the change in the level of investment in education over time and to ascertain the short- to medium-term priorities for education investment and operation | 102: General Disclosures 201: Economic Performance 203: Indirect Economic Impacts | Semi-structured | Semi-structured interview |

Table 1 Overview of the Invest-ED Tool

Note: *: Items in the Invest-ED tool reference and adapt standards and disclosures from *The Consolidated Set of GRI Sustainability Reporting Standards 2016* (GRI, 2016). The universal and topic-specific disclosures referenced in Invest-ED are presented in this column, and further specified next to each item in Invest-ED where applicable.

Organizations applying Invest-ED, partially or in its entirety, cannot claim that they meet the requirements to prepare a report in accordance with GRI Standards and procedures. For more information on the GRI reporting procedures and standards, consult the 2016 Consolidated GRI Standards (GRI, 2016) and the GRI website for updates.

3. PILOT STUDY DESIGN & PROCEDURE

Collaboration with the Brookings Institution for this project formally began in February 2017 for an initial period until June 2018, which was extended to August 2018. We present only the process as relevant to the development of the Invest-ED tool and the pilot study fieldwork covered in this report.

3.1 Collaboration Process

The collaboration team consisted of Prachi Srivastava (Principal Investigator) and Robyn Read from the University of Western Ontario (UWO), and Emily Gustafsson-Wright and Izzy Boggild-Jones from the Center for Universal Education, Brookings Institution. The team undertook a series of collaboration calls and virtual meetings throughout the project timeframe with regular communication and follow-up to develop the tool, share feedback on the pilot fieldwork plan devised by the UWO researchers, and have general discussions of emerging findings. In addition, three dedicated working sessions/meetings were held at critical points in the study for specific purposes (see Table 2).

The final structure for the pilot report was set in June 2018, with feedback to the report to be provided in the final quarter of 2018. Final revisions to the report were made in February 2019 following feedback. Table 3 presents the pilot study timeline with the major research tasks.

| | |
|----------------|---|
| June 2017 | Operationalize the goals and objectives of the pilot study |
| August 2017 | Finalize operationalizations and provide feedback on draft tool |
| March 2018 | Share pilot study experiences |
| September 2018 | Final discussion and submit final draft pilot report for feedback |
| February 2019 | Feedback and report revision process completed |

Table 2 Collaboration Working Sessions and Objectives

| | 2017 | | | | | | | | | | | | 2018 | | | | | | | | | | | |
|---|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|--|
| Research Task | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | | |
| Conduct comprehensive literature review on NSPs (iterative) | | | | | | | | | | | | | | | | | | | | | | | | |
| Develop and refine operationalizable typologies for analysis | | | | | | | | | | | | | | | | | | | | | | | | |
| Strategic web-based search on data sources/networks to identify NSPs for inclusion | | | | | | | | | | | | | | | | | | | | | | | | |
| Co-develop primary data collection tool for pilot field study | | | | | | | | | | | | | | | | | | | | | | | | |
| Pilot study – Identifying the target sample | | | | | | | | | | | | | | | | | | | | | | | | |
| Pilot study - Recruiting participants | | | | | | | | | | | | | | | | | | | | | | | | |
| Pilot study - Data collection | | | | | | | | | | | | | | | | | | | | | | | | |
| Pilot study - Data Analysis | | | | | | | | | | | | | | | | | | | | | | | | |
| Pilot Study Report | | | | | | | | | | | | | | | | | | | | | | | | |
| Revise Tool | | | | | | | | | | | | | | | | | | | | | | | | |
| Formal Collaboration Sessions | | | | | | | | | | | | | | | | | | | | | | | | |
| Develop knowledge mobilization products to publicly disseminate process and findings: e.g., Conference papers; synthesis reporting, academic publications, policy pieces/briefs, as appropriate | | | | | | | | | | | | | | | | | | | | | | | | |
| Member checking | | | | | | | | | | | | | | | | | | | | | | | | |

Table 3 Pilot Study Timeline

3.2 Selection Process and Access: countries, organizations, individuals

Countries

We initially identified six countries of interest in Asia for the pilot: Australia, India, Japan, Singapore, Taiwan (China), and Thailand.⁴ This choice was based on preliminary literature searches, online scoping for regional-level networks of philanthropic foundations and impact investors, and expert input from key informants during the framing phase of the study. The intention was to conduct the pilot study in contexts with ecosystems for philanthropic foundations and impact investors at varying levels of development, including the maturity of domestic economic markets and diversity in the purported level of activity of such actors in local contexts. The focus on impact investors, in particular, moved selection away from low-income country contexts in Asia on the assumption that there would be lower levels of such activity in those contexts (AVPN, 2017). Given our intention to contribute to the macro-financing dialogue for the SDG framework, a further consideration was to include donor countries from the region.

Thus, Australia and Japan were included as established markets and as ODA donor countries; Singapore, as a strong regional market and a coordinating regional hub for philanthropic and impact investing actors; and India (lower-middle income), Thailand (upper-middle-income), and Taiwan (China) (high-income) as potential emerging hubs for philanthropic and impact investing actors across a range of country-income groups.⁵

Despite the study design and multiple attempts, organizations in Australia, Taiwan (China), and Thailand did not respond to recruitment calls. The pilot study was conducted with organizations based in India, Japan, and Singapore. We attribute the difference in participation to the mitigating role of social networks in accessing organizations in the sector, as has also been noted in the literature (Moody, 2008; Saltuk, El Idrissi, Bouri, Mudaliar, & Schiff, 2014) (see also Section 3.3).

Organizations

Purposive sampling involving a two-stage sampling process (Battaglia, 2008) was deemed to be an appropriate strategy for the pilot study. It was preferred over convenience sampling, which is more typical of exploratory studies of this nature, to enable more systematic selection. In stage-one sampling, we set general selection criteria in line with the focus for the pilot study.

To enrich the eventual analysis, we also linked selection for the pilot study to the database on non-state private actors in education that was being simultaneously constructed for the larger research program directed by Srivastava. We identified five regional sources (i.e., network

⁴ The classification of Taiwan (China) in this report follows the World Bank methodology on world aggregate and high-income countries aggregate. <https://datahelpdesk.worldbank.org/knowledgebase/articles/114933-where-are-your-data-on-taiwan>

⁵ World Bank country classifications for the 2018 fiscal year (covers 2017-18) released on 1 July 2017.

service organizations, fora, hubs) from which organizations were extracted for the database from publicly accessible data.⁶

We extracted 49 potential participant organizations for the pilot study from the database in the first sampling stage.⁷ Three criteria directed stage-one sampling. Organizations were:

- Included in the database on non-state private actors developed for the larger research program
- Operationalized as a private foundation or impact investing actor⁸
- Had an office in one of the six countries of interest

During stage-two sampling, the role of social networks in mediating access to organizations in the sector became increasingly clear (Moody, 2008). This was confirmed by experts in the field and key informants, existing literature, and experience of prior scoping research in India and Singapore conducted by the Principal Investigator. The stage-one list was circulated within the collaboration team and to key informants for potential introductions to facilitate access and interaction with gatekeepers. Through this process, alternative suggestions of organizations meeting stage-one criteria were made.

At this stage, it was deemed necessary to include regional network service organizations for philanthropic and impact investing actors. They have been noted as central actors in guides for emerging practice in the space (IFC, 2010; Isern & Tamara, 2004). Similarly, it was deemed necessary to include grantees or investees among the pilot sample to generate more rounded insights.

This resulted in a potential sample of 32 organizations, of which seven were from the stage-one list. Given the time and resources available, our target was to reach 15-20 organizations for the pilot. A total of 19 organizations participated — 15 in formal interviews and four in background information meetings (see Section 3.3 for elaboration).

Individuals

Individuals within organizations were selected on the basis of their professional responsibilities. The guiding factors were familiarity with the organization's operations and knowledge of its grants and/or investments portfolio and its education-sector activities. After initial contact, organizations referred the most appropriate individuals to participate in interviews and to complete the Invest-ED tool. In most instances, the same individual(s) would

⁶ Organizations in the database were extracted from: AVPN, Center for Education Innovations (tracing education initiatives to funders/implementers), Forbes Asia's 2017 Heroes of Philanthropy List (tracing individuals to organizations), GIIN, and The Asia Foundation.

⁷ Given the timeline for the pilot study, stage-one sampling was based on the first emerging version of the database. Later versions of the database have a larger number of organizations. At the time of writing the database had ~650 non-state private actors funding education initiatives in Asia, of which ~100 were identified as private foundations or impact investors according to the typology developed for the larger program.

⁸ Operationalizing actors was not straightforward given multiple registration requirements for different organizational types, which is confounded in a cross-national study. The typology is not discussed here in the interest of space and given the main aims of this report. It is the subject of substantive discussion elsewhere (Srivastava & Read, forthcoming).

be responsible for both activities. A total of 27 individuals across the 19 organizations participated in formal interviews, informal interviews, and follow-ups or background meetings.

3.3 Pilot Study Fieldwork Overview

The primary purposes of the pilot study were: (1) to generate feedback on the utility of the tool; and (2) to develop a more in-depth understanding of the operational context for philanthropic and impact investing actors in the education sector.

Invest-ED was piloted with organizations based in India, Japan, and Singapore in face-to-face and telephone interviews between October 2017 and February 2018, with informal and follow-up interviews until April 2018 where necessary. Participants were provided additional time to complete and return structured modules of the tool (Modules I through III). This extended until the end of April 2018 where requested. Background information meetings with organizations were conducted in October and November 2017. Member checking of organizational data and interview excerpts presented in this report were conducted in September and October 2018.

In total, 19 of 32 organizations (59%) that were contacted participated in the pilot study (see Section 3.2 on sampling and selection). Fifteen participated in formal interviews (47%), and four participated in background information gathering meetings. Eleven did not respond to the request or did not schedule a time, and three declined a formal interview (of which one participated in a background meeting instead). The total number of organizations in the final sample, including interview and background meeting participants, is in the range of other reports on the sector (c.f. Pandit & Tamhane, 2017; Sattva, 2017). All but one organization that participated agreed to be named.

Table 4 presents an overview of organizations that participated in formal semi-structured interviews (see Section 5.1 for more detailed profiles on investors among this group). Formal interviews consisted primarily of Invest-ED Module IV, with the further aim to solicit organizations to complete the tool and generate feedback through the process. The interviews constitute the main data source for the pilot study. Response rates for completing the Invest-ED tool were lower. Of the 15 organizations that participated in interviews, four returned completed or partially completed tools.⁹

Face-to-face background meetings were conducted with organizations to diversify perspectives and to increase contacts with potential participants. The aim of these meetings was to connect with actors who could provide key insights on: the regional ecosystem for philanthropic foundations and impact investing actors; assessing impact; and operational experiences as grantees/investees. Table 5 presents the organizations that participated in background meetings and the key insights gleaned.

⁹ Owing to the small numbers of participants in a pilot study by design, the validity of the response rate measure for completed Invest-ED tools (27%) is not robust. It is presented here simply as an indication.

| Country Base | Organization | Organizational Form | Participants | Formal Interviews | Face-to-Face (F) Telephone (T) | Informal / Follow-up Interviews | Invest-ED Completed | In Larger Project Database |
|---------------|--|---|--------------|-------------------|--------------------------------|---------------------------------|---------------------|----------------------------|
| India (11) | Aspada Investment Advisors | Impact Investor | 1 | 1 | T | - | - | ✓ |
| | Central Square Foundation | Private Foundation | 1 | 1 | F | - | - | ✓ |
| | Educate Girls | NGO | 1 | 1 | T | 1 | - | ✓ |
| | Indian Public Library Movement (NASSCOM Foundation) | Foundation Program | 1 | 1 | F | - | - | ✓* |
| | Menterra Venture Advisors | Impact Investment Fund | 1 | 1 | T | - | - | ✓ |
| | Michael & Susan Dell Foundation | Private Foundation | 2 | 2 | T | 1 | - | ✓ |
| | Nilekani Philanthropies (Rohini Nilekani Philanthropies) | Individual/Family Umbrella Philanthropy | 1 | 1 | T | - | - | ✗ |
| | Omidyar Network India Advisors | Impact Investment/Grant Advisory | 1 | 1 | T | - | ✓ | ✓ |
| | Pratham Foundation | NGO | 1 | 1 | F | - | - | ✓ |
| | Shiv Nadar Foundation | Private Foundation | 1 | 1 | T | - | - | ✓ |
| | Tech Mahindra Foundation | Private (Corporate) Foundation | 2 | 1 | F | 1 | - | ✓ |
| Japan (1) | Nippon Foundation | Hybrid Foundation | 1 | 1 | F | 1 | ✓ | ✓ |
| Singapore (3) | Credit Suisse | Corporation | 2 | 1 | F | - | ✓ | ✓ |
| | Head Foundation | Private Foundation | 2 | 1 | F | 1 | - | ✓ |
| | Impact Investment Exchange | Impact Investment Advisory Firm | 1 | 1 | F | 1 | ✓ | ✓ |
| TOTALS | | | 19 | 16 | | 6 | 4 | |

Table 4 Organizational Participants in Formal Interviews

Notes: *: NASSCOM Foundation appears in the database. ✗: Nilekani Philanthropies did not appear in the sources used to extract organizations for the database. Some initiatives funded by the principals through other philanthropic organizations they support are in the database.

| Organization | Participants | Key Insights |
|--|--------------|--|
| 3ie (International Initiative for Impact Evaluation) | 1 | Impact indicators, assessments, and conceptualizations |
| Asia Philanthropy Circle | 4 | Regional network strategies and ecosystem actors |
| The Education Alliance | 1 | Grantee/investee operations and interactions with funders (foundations and impact investors) |
| Name Omitted* | 2 | Regional network strategies and ecosystem actors |

Table 5 Organizational Participants in Background Meetings and Key Areas of Interest

Note. *: Organization did not wish name to be disclosed.

All those who agreed to formal interviews were known by the research team or had been introduced through a common contact. This pattern of participation is supported by the literature which suggests that these types of investors rely heavily on social networks. A survey of 125 impact investors found that 79% believed 'strong networks and relationships in target geographies' are critical (Saltuk et al., 2014, p. 42). The literature further describes the significant role of networks and social ties in non-state investment in education for philanthropic and hybrid actors in 'Northern' or 'Western' contexts and in the Global South (Moody, 2008; O'Flanagan, Harold, & Brest, 2008).

The significance of social networks was also noted by participants. Several participants informed us that organizations were unlikely to participate without an introduction from a respected gatekeeper or mediator. One participant noted, 'you have to speak their language...and be valuable to them... or you go with a connection and then they might give you time' (Participant Interview, 11/20/2017).

In most cases, cold contacts declined participation or were non-responses. In one case, a cold contact resulted in a background interview and introduced us to another organization that resulted in a formal interview. In that case, the motivation to participate may have been that the organization was involved in similar types of research and may have wanted to learn about the Invest-Ed tool and the pilot study.

Consent and Ethics Review

The study obtained approval from the UWO Research Ethics Board. Potential participants were invited to participate via email invitation which included a background note on the study, what participation in the study entailed (completing Invest-Ed and a semi-structured interview), and the benefits and potential risks of participation (no risks were identified). The letter of information/consent and brochure were also provided (see also Section 3.4).

Participants were asked to sign and return a consent form acknowledging that: (1) they voluntarily agreed to participate in the study; (2) they understood the benefits and risks of participation; and (3) they were aware that they would not be named in the study but their organization would be.¹⁰ There was a further accommodation for verbal consent if participants did not wish to sign the form or did not return it (in the case of telephone interviews). Finally, the Invest-ED tool had an embedded consent script (referred to in Section 2.2).

¹⁰ One organization did not agree (Table 5). Its name does not appear.

In all cases, consent was obtained prior to starting the interview or meeting. The Principal Investigator solicited additional questions of clarification prior to starting and made accommodations as per specific requests. In some cases, participants asked for portions of the interview to be kept confidential. In these cases, the data were excluded from analysis and are not reported here. Additionally, quotes have not been attributed to organizations in this report to maintain anonymity of individual participants. All participants were provided the opportunity to check data appearing in this report.

3.4 General Procedure

The general procedure in the approved ethics protocol for this study was followed. Organizations were approached using either publicly available contact information on organizational websites or via introductions. In some instances, this information was already known through the collaboration team's networks. Regarding cold contacts, organizations internally referred the most appropriate individuals to participate in interviews and complete Invest-ED. In most instances, the same individual(s) were responsible for both activities.

Initial contact by UWO researchers was made by customizing a standard email with researcher and pilot study information, main aims, and a request for participation. A recruitment brochure that provided further detail on the study, outlining voluntary participation and information on the approved ethics protocol was attached. Information for the standardized email was extracted from the letter of information and consent that was provided to all participants (see also Section 3.3). Post-interview, an e-mail was sent thanking participants for their participation, customized with specific requests for follow-up. Non-responses at various points of the study (i.e., initial contact, request for participation, follow-up, member checking) were pursued up to four times as was deemed appropriate in each case.

The pre-fieldwork intention was to administer Modules I—III as a survey, to be completed and returned by organizations prior to a formal interview. However, it was quickly apparent that this would not be possible given time constraints for participating organizations and the pilot study timeline. Thus, Invest-ED was piloted in formal face-to-face or telephone interviews, with the intention to receive finalized completed Modules I—III post-interview. Participants were provided a copy of Invest-ED prior to the interview, some earlier than others, according to different administration variations we piloted (see Section 4.1 for further details).

Each interview lasted between 45-60 minutes. All formal interviews were conducted by the Principal Investigator. In instances where both researchers were present (six interviews), the Principal Investigator led the interview, and the secondary researcher was responsible for supplementary questioning and note-taking. Face-to-face interviews were conducted at the offices of the organization. Telephone interviews were conducted in a private room with only the researcher(s) present. All interviews were recorded with the consent of the interviewees and transcribed verbatim following a template developed for this project.

3.5 Administration and Variations

Given the intention to make Invest-ED a publicly accessible tool, piloting its administration procedure was as much an aim of the study as testing the tool's content and structure. Table 6 outlines the standard procedure, variations, and the rationale guiding the latter.

| | Pilot Standard (pre-fieldwork) (one 60-minute session) | Variation | Rationale for Variation |
|----------------------|---|--|--|
| <i>Prep Material</i> | Provide Invest-ED at least a week in advance of interview. | Provide Invest-ED same day or 1-2 days in advance | To mitigate non-participation. Concern conveyed by field experts on threats to participation if tool was seen as 'too extensive' or overwhelming beforehand. |
| <i>Modules I-III</i> | Participants to complete Invest-ED Modules I-III and return prior to interview. Use interview to probe initial patterns in Modules II and III more in-depth. Clarify/refine data. Time allocation: 40-50% session | Complete Modules I-III during interview. Follow sequencing and structure as is. Participants fill gaps or revise and return copy of tool in follow-up post interview. Time allocation: 80% | Increase response/completion rates Acknowledged limits on participants' time Clarify participant questions and solicit feedback 'in situ' |
| | | Address specific questions from Modules I-III in interview appropriate to organizational context. Use Module IV to direct queries. Participants complete Modules I-III in detail post-interview. Time allocation: 20-40% | Acknowledged limits on immediate data availability and access Change strategy to a more flexible and open-ended approach |
| <i>Module IV</i> | Interview used to generate insights on decision-making, challenges, and motivations. Time allocation: 50-60% session | Interview for supplementary insights with respect to responses in Modules I-III. Follow sequencing and address all questions. Time allocation: 20% | Balance in favor of investment data otherwise difficult to access Opportunity to assess motivations for specific investments and strategies |
| | | In-depth formal interview directed by Module IV. May not be primarily in reference to Modules I-III, but on general operational strategy and motivations. Address all questions. Sequencing can vary. Time allocation: 60-80% | Capitalize on expert knowledge not possible to access through other means. Facilitate in-depth understanding of organizational motivations and articulations of impact. Change strategy to more open-ended, flexible approach. |

Table 6 Standard Invest-ED Administration Pilot Procedure and Variations

Special variations were made to administer Invest-ED to Educate Girls, Indian Public Library Movement, and Pratham Foundation. These actors were specifically included to broaden perspectives from the 'receiving end', i.e., primarily as entities that receive funds and

implement initiatives.¹¹ These organizations were asked to assess initiatives by impact achieved and operating budget. In these instances, participants were asked to reframe questions on investments to sources of funding for Modules I—III. Module IV was reframed to focus on their initiatives rather than funding strategies, as was appropriate. Any questions that were not applicable were skipped.

As outlined in Section 3.4, the pre-fieldwork intention was to administer Modules I—III as a survey to be completed and returned by organizations prior to a formal interview. However, it quickly became apparent that the procedure would need to be revised to increase responses and data validity. Thus, we followed a progressive process of testing the administration procedure for Invest-ED. Variations were made in response to emerging feedback from participant organizations and continuous reflections on experiences of piloting the tool. These revisions are discussed in depth in Section 4.

Over the course of the pilot study, administering Invest-Ed progressed from a more structured approach to a more semi-structured, open-ended one. The time allotted to Module IV increased relative to the time allotted to Modules I—III. These variations were made according to the following insights that emerged as the tool was being piloted:

- Ready access to accurate data
- Capitalizing on (one-time) privileged insights
- Competing commitments and lack of embedded incentives

Ready Access to Accurate Data

Modules I—III relies heavily on accurate grant and investment data. This requires organizations to have an internal reporting system in place that is readily accessible to staff members. This could be complicated for organizations in various ways.

Larger organizations and those with diversified investment portfolios did not always have integrated systems accounting for education sector data relative to other development sectors. Smaller or newer organizations could be in the process of developing systems and establishing impact indicators. Both scenarios would require significant liaison and organizational time, with an added (very welcome) concern on the part of organizations to provide accurate data. Furthermore, internal approvals may be required to access data depending on the administrative set-up or hierarchy norms within an organization. Finally, some data may not be considered open for public consumption.

These can (and did) lead to lowering completion rates and increasing non-participation. Thus, administration variations attempted to address these issues, particularly with reference to Modules II—III, by progressively adopting an open-ended approach and using Module IV as the reference point. Participants were progressively probed in areas in which they were willing and able to share data.

¹¹ This added depth given the aims of the pilot study. However, we suggest revising Invest-ED to include a version for investees if the intention is to scale-up the study.

Capitalizing on (One-time) Privileged Insights

Many respondents were in positions of senior management or with significant areas of responsibility that could provide privileged insights on the organization's strategies and motivations. Given the voluntary nature of the external exercise, they were generous with their time in agreeing to participate. There was little expectation on our part that there would be opportunities for substantial follow-up.¹²

The progressive approach to piloting prioritized formal interviews towards Module IV with such respondents, capitalizing on the opportunity to capture privileged insights on decision-making processes and motivations. Thus, there was a trade-off between Modules I—III and Module IV. In some cases, respondents themselves suggested that they would be better positioned to complete Module IV, with data-oriented questions in Modules I—III to be completed by other staff members.

Competing Commitments and Lack of Embedded Incentives

Organizations have competing demands for resources and time, which are understandably highlighted in external voluntary activities. Despite acknowledged lack of data and the general desire for participants to share information, there are few embedded incentives to do so.

Certain organizations may have regulatory compulsions in their domestic contexts (e.g., *Foreign Contribution (Regulation) Act, 2010* [FCRA] compulsions in India).¹³ However, this is not the case for all types of organizations in all contexts. Furthermore, even where there are compulsions, they are unlikely to generate data in the suitable form or capture the exact research interest on education sector financing. Thus, the piloting variations attempted to streamline the process to focus on relevant data.

¹² This is not to say that participants did not follow-up upon request. In the majority of cases, they were readily available to follow-up informally and formally. We simply wish to state that we did not expect this given the nature of some of the participants' responsibilities.

¹³ FCRA compulsions apply to Indian organizations receiving foreign contributions. See: https://fcraonline.nic.in/home/PDF_Doc/FC-RegulationAct-2010-C.pdf and <https://fcraonline.nic.in/home/index.aspx>

4. PARTICIPANT FEEDBACK & REVISIONS

4.1 Feedback on Invest-ED

Feedback on Invest-ED was gained in formal and informal interviews and follow-up, and implicitly through analysis of the process. Items on the tool were **generally seen to be worded clearly**. We received very few questions for clarification in interviews and among the participants who completed the tool. A few participants commented on the inclusion of **adapted GRI items, seen to be a novel approach**. The **modular structure allowed the tool to be adapted** to suit an organization's context. For example, if an organization did not fund initiatives outside of education, Module II could be skipped. Similarly, specific questions that did not apply could be skipped.

Invest-ED was seen to help consolidate data on education investments and other sectors, where this was applicable. In some cases, the **consolidation exercise was complicated**. This could be because organizations did not account for their investments along sectoral lines. Additionally, data may have been kept discretely in large organizations with multiple units. As a result, some participants stated that the tool may require too much internal coordination on the one hand, but experience with others showed it was useful in revealing internal gaps in operational structure and in collating and sharing investment-related data.

These **comments mainly reflected operational contexts**. For example, the operationalization of 'education sector' for this study was deliberately broad so as to be comprehensive.¹⁴ However, many organizations did not internally account for their activities as such. For example, while school construction, university bursaries, and women's professional training would be classified as education sector initiatives for this study, these initiatives may be accounted for under different internal classifications by individual organizations (e.g., construction projects, social and economic disadvantage, women's empowerment and livelihoods, respectively).

Most organizations were **concerned with how the data would be used given the intention to publicly report. This was a barrier to completion**. A few organizations felt that existing public

¹⁴ The following sources were considered in developing typologies for education sub-sectors and programming and investment areas. These were consistent with the coding typologies used to construct the database for the larger research program.

World Bank. (2016a). Sector taxonomy and definitions. Revised July 1, 2016. World Bank Group, Operations Policy & Country Operations. Available online from: <http://pubdocs.worldbank.org/en/538321490128452070/Sector-Taxonomy-and-definitions.pdf>

Education programming and investment areas were defined inductively using the following sources:

Center for Education Innovations. (n.d.). FAQ. [Website]. Available online from: <http://www.educationinnovations.org/faq>

World Bank. (2015) Sector and theme operational coding remap, 22 Feb 2017 version. World Bank Group.

World Bank. (2016b). Theme Taxonomy and Definitions. Revised July 1, 2016. World Bank Group, Operations Policy & Country Operations. Available online from: <http://pubdocs.worldbank.org/en/275841490966525495/Theme-Taxonomy-and-definitions.pdf>

reporting mechanisms, such as annual and financial reports, would provide the same information. In some instances, they were referred to us instead to avoid duplication and, understandably, to save organizational time in what was a voluntary exercise.

However, our attempts to complete Invest-ED relying solely on such reports was not possible. Granular data on the size of relative investments in education and cross-sectorally, impact indicators, and self-assessments were largely unavailable. Thus, the **pilot experience suggests that implementing Invest-ED can produce new consolidated and detailed data beyond existing organizational data**. This would not duplicate efforts but can be a value-added experience for organizations to refine data and can further the aim to report publicly, increasing transparency.

4.2 Invest-ED (Version 2) — Rationale for Revisions

Appendix I presents the revised version of Invest-ED (Version 2, August 2018) in light of the pilot study. During the pilot study, participants were encouraged to adapt the questions and provide alternative suitable phrasing or questions. These were taken into consideration when preparing Version 2. This version also integrates revisions based on our analysis of the procedure and emerging data analysis. The central revisions are summarized in Table 7.

| | Questions | Revision/Rationale |
|--|--|---|
| Organizational Type | Q6 | Some respondents were unclear on specifying organizational type. An open-ended box has been inserted, in addition to the structured options, asking to describe the organization's status, structure, funding sources, and registration. These can be used to code for organizational type during analysis. |
| Rephrasing 'programs' to 'initiatives' | Throughout as applicable | The use of 'initiatives' signifies that funding and implementing activities can extend beyond education programs. Reference to 'programs' is more typical of traditional grant-based funders. |
| Financial years | Q9 and throughout. Substantially in all Module II and III questions. | To make further explicit the financial year, as applicable, to the specific organizational context. Financial years vary by country domiciled. It is an important consideration for comparative purposes (Q9). All questions in Module II and III soliciting investment data have been revised to ask for the previous financial year. The pilot version (Version 1) asked for the current financial year on the assumption that data would be fresh and readily accessible. Data collection for the pilot study and the larger project database shows data on the previous financial year to be more valid. Financial reporting processes are likely to have been completed for the previous financial year. Documentary data (i.e., annual and financial reports) are also more likely to be available and can enable triangulation. This helps to generate baseline data regardless of the point in the calendar year that Invest-ED is administered. |

| | | |
|--|-------------------------------------|--|
| Disaggregate grants and impact investments | Q10 and throughout; Q12, 14, 25, 26 | The pilot version combined grants and impact investments for data on 'investments'. Separate tables (Table 10.1 and 10.2) have been added to Q10 to ask more customized questions for each funding modality. This also enables an actor simultaneously using grants and impact investment modalities to answer more specifically about its investments as appropriate. This should allow a disaggregated analysis if the sample size for organizations is large enough, and a more in-depth analysis in the case of smaller sample sizes. Distinct options for each funding modality have been added throughout Version 2 to allow for disaggregated and more precise analysis. |
| Funding cycle and partners/networks | Q17 and 21 | Added Q17 and 21 in response to gaps emerging from analysis on funding cycles and partners/networks of actors. This was implicitly asked in certain cases. Data are not consistently available in public reporting. |

Table 7 Summary of Revisions Invest-ED (Version 2) and Rationale

While Version 2 has not been piloted, it builds substantially on preliminary insights stemming from the pilot study experiences. **Revisions were concerned with increasing the usability of Invest-ED with organizations that may simultaneously use grant disbursement and impact investment funding modalities in education.**¹⁵ This trend is emerging in the wider field of practice (e.g., Bill and Melinda Gates Foundation grants-giving streams and Strategic Impact Fund) and from within pilot study organizations (e.g., Michael & Susan Dell Foundation; principals of Nilekani Philanthropies, Omidyar Network).¹⁶

Table 8 presents administration procedures based on Invest-ED Version 2. It takes into consideration participant feedback, reflections on pilot experiences, and analysis of the different procedural variations tested in the pilot study (see Section 3.5). Two potential procedures are presented. Both processes may be fully administered internally, mediated by an external facilitator/researcher, or implemented by an external researcher/facilitator.¹⁷

The emerging standard administering process for Invest-ED refines the pilot procedure and integrates insights from the progressive approach used during piloting. Similar to the pilot, it builds on one face-to-face session of 60 minutes, concentrating on Modules I and IV, and addressing Modules II and III as relevant. This would require substantive follow-up to ensure Modules II and III are more fully completed and refined after the session.

¹⁵ Some organizational participants used other funding modalities as well. Invest-ED Versions 1 and 2 capture this to some extent but it was not the main intention of the tool. This would entail enlarging the scope for analysis, which may be a consideration if scaling up.

¹⁶ EkStep Foundation co-founders and principals Rohini and Nandan Nilekani, are technical partners for Co-Impact. Co-Impact describes itself as 'a global philanthropic collaborative for systems change focused on improving the lives of millions of people around the world', whose core partners are: Richard Chandler, Bill and Melinda Gates, Jeff Skoll, Romesh and Kathy Wadhvani, and The Rockefeller Foundation.

¹⁷ It is suggested organizations contact the Principal Investigator (Srivastava) should they wish to implement Invest-ED.

The alternative administration procedure is envisioned as a more collaborative process, and may be particularly suitable for internal organizational reviews, exercises assessing impact, or data integration/consolidation exercises. This would require significant buy-in to the process *a priori* and additional time allocation, however, the process may be more rewarding and led by the organization.

Should the pilot study be significantly scaled up, Invest-ED Version 2 and its administration procedures should first involve gathering feedback on the revisions from investors (particularly funders in education using multiple modalities), network service organizations, and technical experts, and be piloted. Available resources for this pilot study did not allow for a second round of feedback on the tool to be collected post revisions. It is suggested that researchers wishing to use Invest-ED as presented in this report, should pilot the tool for their own purposes and on their samples. They are welcome to contact the Principal Investigator (Srivastava) in this regard.

| | Emerging Standard Administration | Alternative Administration |
|------------------------|---|--|
| <i>Time Allocation</i> | 1 face-to-face session, 60 minutes + substantive follow-up | Minimum of 2 face-to-face sessions, 60 minutes + less intensive follow-up |
| <i>Prep Material</i> | Provide Invest-ED a week in advance of interview. Indicate documents/data resources required. | Provide Invest-ED at least a week in advance (preferably longer). Indicate documents/data resources required. Organizations should identify the most suitable individuals to participate in each session in advance, and to consolidate findings and insights from the process. |
| <i>Modules I-III</i> | Complete Module I. Address specific questions from Modules II-III in interview as appropriate to organizational context. Use Module IV to direct queries. Ask participants to follow-up with detailed completion of Modules II-III post-interview. Time allocation: 20-40% of session | Minimum of two separate sessions for a more collaborative process. May be suitable for internal reviews, impact-setting, or data consolidation/integration exercises. If running two sessions: Session 1: Modules I and IV for general overview of organization and main overview. Refer to Module III on top-3 investments by value of investment and by value of impact (Q14—24) as appropriate. |
| <i>Module IV</i> | In-depth formal interview directed by Module IV. May not primarily be in reference to Modules I-III but on general operational strategy and motivations. Address all questions. Sequencing can vary. Time allocation: 60-80% of session | Session 2: Modules II and III for fine-grained data consolidation and integration. Internal data sources and reports should be gathered prior to session. |

Table 8 Potential Administration Procedures (Invest-ED Version 2)

5. Reflections on Participant Views

5.1 Participating Investors' Profiles

Table 9 presents profiles for the 12 investor organizations that participated in formal interviews for the pilot study. Information was extracted from publicly available sources on organizational websites and other available documentation. Where possible, data from formal interviews and from Invest-ED were added and/or used to further contextualize information.

If there were discrepancies between these sources, Invest-ED was taken as the primary source (where it was completed), followed by the website, and finally, the interviews. It is assumed that data on value of investments and other detailed data figures that were gathered internally for public reporting exercises and posted on official organizational websites would be more robust than interview data in these areas.

Revisions were made where indicated by participants in the member checking process. They are reflected here.

| Investors | | | | | | |
|--|---|---|--|--|---|---|
| Organization | Organizational Website | Year Founded | About the organization* | Investment Modalities | Sectors/Areas of Work | Investments to Date |
| Aspada Investment Advisors | http://www.aspada.com/ | 2011 | Aspada is an active investor in India with a portfolio spanning agricultural supply chains, logistics, financial services, education, and healthcare. We provide early stage venture capital to teams building innovative full-stack, disruptive businesses that provide access to capital, markets, and essential services. | Impact investment Early stage venture capital Patient capital | Agriculture, healthcare, financial services, education, logistics, employability, and technology-led stock market exchange (SME) enablement platforms | Manages over USD 100 million in capital |
| Central Square Foundation | http://centralsquarefoundation.org/ | 2012 | Central Square Foundation is a non-profit philanthropic foundation working with the vision of ensuring quality school education for all children in India. We are driven by our mission to transform the school education system with a focus on improving the learning outcomes of children, especially from low-income communities so that they get equal access to opportunities needed for leading a better life. | Grants Research Works with partners to build tools and generate evidence | Education | Missing |
| Credit Suisse Group AG (APAC Region) + | https://www.credit-suisse.com/corporate/en/responsibility/economy-society/commitments-in-apac.html https://www.credit-suisse.com/media/assets/corporate/docs/about-us/responsibility/economy-society/credit-suisse-corporate-citizenship-apac-factsheet.pdf https://www.credit-suisse.com/sg/en.html | 1998 (Credit Suisse APAC Philanthropy Committee) 1977 (Singapore) 1856 (Credit Suisse HQ) | The key theme of the Asia Pacific philanthropic portfolio is access to quality education opportunities, including vocational training and entrepreneurship programs for disadvantaged children and youth. Corporate Citizenship APAC drives Credit Suisse's social commitment and volunteerism in 14 countries. In addition to our core banking activities, we are committed to being a reliable partner to charities and social organizations in our region, adopting a partnership model which aims to develop capacity through complementing financial support with pro bono engagements, employee volunteering and capacity building workshops. | Grants Employee engagement | Education, financial inclusion, disaster relief | Missing |

| | | | | | | |
|--|--|------|---|--|--|---|
| Head Foundation | http://headfoundation.org/ | 2013 | The HEAD Foundation (THF) is a charitable organisation set up in 2013 in Singapore to contribute to the development of Asia. As a think-tank, we focus on issues around human capital, education, leadership and sustainability. | Grants Sponsorship Program funding | Education | Missing |
| Impact Investment Exchange | https://iixglobal.com/ | 2009 | IIX bridges the gap between finance and development, carving out a third space for global social and environmental solutions. As a leading pioneer of impact investing in Asia, we build pathways to connect the Back Streets of underserved communities to the Wall Streets of the world. We are here to achieve sustainable development and equitable growth. | Impact investing Equity investments Structured bond products | Women's empowerment, climate change, community resilience | Missing |
| Menterra Venture Advisors | http://www.menterra.com | 2016 | We fund social enterprises to deliver deep impact, at scale. Healthy, educated, and distress free — that is the India we dream of and work to create. | Impact investment Patient capital | Agriculture, education, healthcare, skill development | ^See note on investees. |
| Michael & Susan Dell Foundation (MSDF India) | https://www.msdf.org/ https://www.msdf.org/india/ | 1999 | The Michael & Susan Dell Foundation is dedicated to transforming the lives of children living in urban poverty through improving their education, health and family economic stability. | Grants Impact investment | Education, economic stability, healthcare | USD 1.563 billion |
| Nippon Foundation | https://www.nippon-foundation.or.jp/en/ | 1962 | The Nippon Foundation was established in 1962 as a non-profit philanthropic organization, active in Japan and around the world. Initially our efforts focused largely on the maritime and shipping fields, but since then the range of our activities has expanded to education, social welfare, public health, and other fields—carried out in more than 100 countries to date. Together with our more than 20 partner organizations in Japan and worldwide we are funding and assisting community-led efforts aimed at realizing a more peaceful and prosperous global society. | Grants Scholarships Fellowships | Education, healthcare, disaster relief, environment, people with disabilities, basic human needs, human resource development | Financial Year 2015 ¥3,304,602,402 Financial Year 2016: ¥4,072,165,100 Figures for international programs in non-maritime fields only |

| | | | | | | |
|---|---|------|--|--|--|-----------------------------------|
| Omidyar Network India Advisors Pvt Ltd (ONIA) [^] [Omidyar Network] | https://www.omidyar.com/ | 2004 | We are structured to support the notion that philanthropy is more than a type of funding. In its truest sense, philanthropy is about improving the lives of others, independent of the mechanism. Consequently, we work across the social and business sectors, operating both a Limited Liability Company (LLC) and a 501(c)(3) foundation. | Impact investing (equity investments) Grants | Digital identity, education, emerging technology, financial inclusion, governance & citizen engagement, property rights, technology and society | USD 1.34 billion (global) |
| Rohini Nilekani Philanthropies ^o (Nilekani Philanthropies) | https://rohininilekani.org | N/A | Through my philanthropy, I look to support ideas, individuals and institutions that enable a strong <i>samaaj</i> (society) and that have integrity, ethical leadership, clarity of ideas and accelerated impact. In the continuum of <i>samaaj</i> , bazaar (market) and <i>sarkaar</i> (government), only a strong society can keep markets and state accountable to the public good. We cannot be mere consumers of good governance; we have to co-create it. | Philanthropic risk capital Funded initiatives have their own investment modalities including grants | Accountability, transparency and governance, arts and culture, civil society and intellectual capacity, civil society enablers access to justice, mental health environment, ecology and conservation, gender, independent media Major initiatives: Arghyam; EkStep; Pratham Books; Societal Platform | Missing |
| Shiv Nadar Foundation | http://www.shivnadarfoundation.org/ | 1994 | The Foundation is committed to the creation of a more equitable, merit-based society by empowering individuals through transformational education to bridge the socio-economic divide. To that purpose the Foundation has established institutions and programs in the underdeveloped disciplinary areas in India related to rural and urban education and art. | Program funding | Education, arts and culture | Missing |
| Tech Mahindra Foundation | https://techmahindrafoundation.org/ | 2007 | Tech Mahindra Foundation is the Corporate Social Responsibility (CSR) arm of Tech Mahindra. It was set up in 2007 as a Section 25 Company (referred to as Section 8 Company in the Companies Act, 2013), with a vision of Empowering through Education, and a mission encapsulated in the words below: | Program funding | Education, skill development, disability | Approx. USD 40 million since 2007 |

| | | | | | | |
|--|--|--|---|--|--|--|
| | | | Educated, skilled and able women and men are a country's true strength. We aspire to see children who are purposefully engaged, youth that is constructively employed and a society that provides equal opportunities to people with different abilities. Through its corporate social responsibility initiatives, the Mahindra Group commits itself to this. | | | |
|--|--|--|---|--|--|--|

Table 9 Participant Profiles (Investors Only)

Sources: Data collected from organizational websites, interview transcripts, and completed Invest-Ed tools. Organizations asked to verify via member-checking process.

Notes. *: As noted verbatim on the organizational website. +: APAC Region CSR Unit. ^: As provided by Menterra: Leap Skills Pvt. Ltd., Biosense Technologies Pvt. Ltd., Concept Learning Private Limited, Curiosi Learning Solutions Pvt. Ltd., EZVidya Pvt. Ltd., Farm Folks Pvt. Ltd. ^^: Data presented in the table are for global investments extracted from the organizational website. Interview was conducted with ONIA. ONIA was established in 2009. °: Nilekani Philanthropies is the umbrella for the philanthropic activities of the Nilekani family. It is not an organization per se.

5.2 Focused Analysis: Data Issues and Reporting Compulsions

The following insights emerged from a focused analysis of formal interviews in two main areas: data systems and access; and reporting compulsions and motivations for participating organizations. As Invest-ED was conceived to enable organizations to consolidate data and ease reporting for greater transparency, the analysis for the pilot report was geared towards uncovering insights in these areas. Questions guiding analysis are presented in Table 10 below.

Since the central focus of this report is the tool, the analysis for this report did not include data from informal and background meetings or a comprehensive review of organizational documents. A more inductive analysis on the overarching themes emerging from the pilot study data will be the subject of future publications. As such, discussion here should not be taken as a report of final results, rather as an indication of emerging issues that will be further interrogated in formal data analysis.

| Data Systems and Access | Reporting Compulsions and Motivations |
|--|---|
| <ul style="list-style-type: none"> To which internal data sources do participating organizations have access, internally and externally? Do participating organizations have systems in place to gather and share data? Which types of data? | <ul style="list-style-type: none"> What are the reporting compulsions for participating organizations? What are the motivations and incentives for reporting? |
| Transparency <ul style="list-style-type: none"> What is the potential impact of existing data sources and systems and reporting compulsions and incentives on the transparency of organizations' operations? | |

Table 10 Main Questions Guiding Focused Analysis

Data Systems and Access

For participant organizations, **accessing and producing reliable data were paramount in: (a) informing investment decisions and (2) reporting to stakeholders.** Organizations needed access to empirical research (usually produced externally), as well as internal data on 'what's working' to inform investment decisions. In many cases, **data required for decision-making were not the same as those for reporting.**

Some participants discussed sophisticated 'well-oiled' internal systems to regularly collect and analyze data on their investments at the local, national, and international levels. These organizations reported highly structured processes as well as in-house capacity, which could involve establishing a dedicated unit or hiring technical staff to support monitoring and evaluation. However, **some felt restricted in their ability to adequately collect data and monitor impact.** This limited investment to areas where they had an existing physical presence, i.e., an office or trusted implementer, or where they could send staff to monitor and evaluate ongoing initiatives.

Participating organizations noted it was a **struggle to access data and research**. Lack of access to data **can result in investment decisions that are based on recommendations, rather than a more research-oriented perspective**. This led some participating organizations to actively fund education sector research, employing a number of strategies to do so. Some funded research through traditional research grants, while others commissioned research, often from private consulting firms. Commissioning research by private sector actors was reported to be costly. One participant commissioned a consultancy firm for a previous study, and later conducted the research in-house with local consultants due to high costs. Few were aware of existing academic research or did not have access to such sources. Regardless, **having to actively fund research to generate data informing investment was seen as a barrier to investing in the education sector**.

Most participants noted limitations on what they could publicly share. Thus, there was a distinction between public data and data for internal purposes. Most often, **data on specific investment amounts was not shared or reported unless there was a legal or external reporting compulsion** (see section below on Reporting Compulsions). Regardless of the reasons, the lack of data on the sector and on investors was noted by virtually all participants. While **some were frustrated by the lack of data, other organizations saw data gaps as key to their comparative advantage**. Producing relevant data was an important draw for intermediary organizations, who could share data with their members to gain a competitive edge in the investment space. Thus, some organizations do not publicly share data on investors or on the sector to entice new members to their base and maintain loyalty. Others could not share such data, as benefactors wished to remain anonymous. As a result, an **informal data sharing system has developed in which actors rely on their social**

We feel there is a lack [*laughter*] of information anyway. So, we are trying to see if [name] who has done this research for [organization] in [country] knows whether they can even share that information because *everybody is like hoarding information*. That's the main problem.

—Participant Interview, 11/20/2017a
(emphasis added)

...more and more often...it's easier to say, 'I have money, I need to spend my money.' Aah, I just commissioned a research. I don't even think to take the time to look for what is available.

—Participant Interview, 11/20/2017a

Box 2 Participant Interview Quotes on Data Sharing

if you were to tell benefactors... we are hooking with so-and-so university, it's very easy for them to trust that we are, you know, working with parties that's reputable because that has more legitimacy [...] people have to go to site to to monitor how the money is spent. You know, the universities really have the system to report and they have a way to publish the findings also...

—Participant Interview, 11/27/2017

...and a lot of times we have to convince our benefactors and our board, 'Although these people, you may not know them, maybe they are small players, but very often the community, you know, aah... they are really working with NGOs like Asian Development Bank, you know, we can trust them'.

—Participant Interview, 11/27/2017

Box 3 Participant Interview Quotes on Trustworthiness

networks to gain access to information. Nonetheless, some actors felt it was more efficient to commission research than trying to access it via other means (see Box 2).

However, simply commissioning research did not solve all data issues. Several respondents noted trustworthiness and legitimacy as criteria used to determine when funding research. One funder repeatedly noted that they invested in research from 'reputable' universities and other organizations. In those instances, the networks and previous experiences of the researchers were also important in judging reputation and trustworthiness (see Box 3).

Reporting Compulsions and Motivations

Initial analysis shows that **extrinsic motivations, linked to formal regulatory compulsions, had a strong impact on reporting, while intrinsic motivations were less clear**. In some instances, regulatory compulsions on the nature and level of reporting were related to requirements for specific types of organizations, in others, particularly for investees, they could be linked to the sources of the funds they received.

For example, organizations in India that were classified as fulfilling mandated corporate social responsibility (CSR) for firms with profits above a certain threshold are subject to Section 135 of the *Companies Act, 2013* (Government of India, 2013). The CSR clause compels them to spend at least 2% of their average (pre-tax) profit over the last three years on eligible CSR activities. The clause also affects internal organizational structures by requiring organizations to establish an internal committee to oversee the firm's policy and to report activities according to mandated guidelines (Dharampala & Khanna, 2018).¹⁸ Additionally, as mentioned in Section 3.5 above, organizations in India receiving foreign funds are compelled to publicly report both their source and their use (Government of India, 2010). As a result, affected organizations usually post FCRA compliance reports on their websites. Such regulatory compulsions will undoubtedly affect operations and reporting, an issue that should be examined in more depth in specific domestic contexts.

What feels really difficult is very much the compliance-level challenges

[...]

a lot of organizations are often constrained in their growth and stuff.

PS: Yeah.

It's because the atmosphere is not very enabling. The legislation, the policy [...] Not even focused on the results and performance...

PS: Right

For everything else you can, it's in your control so you can ba... try and hire the right people [...] you can move the needle.

But this stuff is really like, it soaks your energy and your blood.

—Participant interview, 12/20/2017

Box 4 Participant Interview Quote on Regulatory Compliance and Reporting

¹⁸ A further amendment to the Act affected the Section 135. See, *The Companies (Amendment) Act, 2017* (Government of India, 2018).

From a research and monitoring perspective, **such compulsions have increased transparency of a subset of organizations** in India, and comparatively within the region, with ease of access to vetted public information. If mined and properly exploited, such data may be used, for example, to map private sector engagement in education (and other sectors) and to identify opportunities and gaps.

However, such stringent compulsions are not without their challenges. **Blanket compulsions were seen by some participants as being unduly restrictive, irrelevant to achieving impact, and decontextualized.** This caused frustration among some participants, investors and investees alike, mainly commenting that organizational resources could be better spent, and high-level compliance reporting measures were divorced from ground-level realities of what is required to achieve impact. Box 4 and 5 present participant quotes stressing these points.

...fund a greater diversity of organisations, a greater diversity of work. You know, less focused on this flawed idea of reporting every rupee in the hopes of building transparency, make investment based on trust, focus on big picture not line items. I mean it's just, it's very frustrating. You, the stated goal is to change the world...

PS: Haan-haan [yes, yes]...

...the way of doing it is to count every rupee spent.

PS: Haan [yes]...

They are, they are in opposition. There is no way you can do that.

—Participant Interview, 21/11/2017

Box 5 Participant Interview Quote on Regulatory Compliance and Reporting

Nonetheless, **participants saw value in reporting. However, they stressed the need to set indicators and processes that were relevant to the investee or implementing organization, beyond simply accounting for money spent.** Thus, most investors in the study stated that they asked investees to establish reporting criteria that would suit the context and the initiative. Most commonly mentioned were financial indicators and education-sector specific indicators. In some instances, investors felt investees needed training on how to establish relevant reporting indicators. One investor providing grants to smaller, domestic organizations instituted indicator development and reporting as part of its funding process.

Implications for Transparency

While most participants were interested in transparency and reporting, the discussion was linked primarily to **increased data availability that transparency would bring to facilitate investment decisions.** Having access to reliable and transparent data to inform investment decisions within limited timelines was a challenge noted by several respondents. However, different types of actors desired different types of data.

Philanthropic foundations were relatively more interested in increasing transparency to generate data on the implementation and social or sectoral impact of the initiatives they supported. Some respondents, both investors and implementers, felt this may be a shift from the traditional input-output data that simply tracked money, where 'too much energy is being spent just tracking the money not tracking the result' (Participant Interview, 12/20/2017).

Foundations disbursing traditional programming grants tended to be interested in transparent reporting showing how money disbursed was spent to generate impact in education. The indicators mentioned tended to be sector-specific (e.g., enrollment rates, attendance, etc.)

Impact investing required transparent reporting to show impact, but with financial indicators alongside sectoral/social impact indicators. These participants noted the need for data on market size, potential risks, and financial projections, including profit, in order to determine return on investment.

As mentioned in the section on reporting compulsions above, **investees generally noted that significant changes to their organizational structure were required for transparent reporting requirements to be met.** This includes building highly structured systems for monitoring and evaluation and increasing staff capacity to meet funder timelines and requirements. However, the **lack of standardized and transparent reporting systems was a noted challenge which increased inefficiencies. This resulted in a trade-off between investing organizational resources into developing measurement tools for transparent reporting and investing resources into funding and implementing initiatives.** This tension was felt by investors as well as investees (Box 6).

...if you put too much on the research and data collection side you can't help but think that in the grand scheme of things, because, you know, the resource has gone into measurement then you're going to end up measuring some lower quality thing...because the same resource cannot be put in the improvement of education. Of course, we know somewhere there is a balance [...] that you know how you can be more effective aah... so so we're just grappling with where we put our resources

–Participant Interview, 21/11/2017

Box 6 Participant Interview Quote on Regulatory Compliance and Reporting

6. CONCLUDING INSIGHTS

The main aim of this report was to provide a detailed overview of the process of developing and piloting the Invest-ED tool. Invest-ED was conceived to enable non-state private actors, particularly philanthropic and impact investing actors, to consolidate education investment data and ease reporting for greater transparency. We additionally conducted a preliminary focused analysis of formal interviews with participant organizations in two main areas in this regard — data systems and access and reporting compulsions and motivations — while assessing potential implications for transparency of operations. The concluding section presents key insights gleaned over the process.

Insights on Data Access and Systems and Reporting Compulsions

Investors tended to focus on reporting for internal purposes or to comply with external regulations. Thus, **much of the data are either internal or shared discreetly through social organizational networks rather than through open, publicly accessible channels (unless this was mandated)**. Given the concerns of some investors to maintain a competitive edge, in addition to the complexity of gathering shareable data, this trend is unlikely to change based on sectoral pressure or broad international mandates on data access alone.

Without external compulsions prescribing data access or strong incentives to publicly share data, we are **likely to have a partial understanding** of the role and impact of investors in the education space. **However, blanket reporting compulsions may be restrictive**. If not contextually and sectorally derived alongside clear aims, they may not provide the space to fully understand investment activities and impact.

Insights on Transparency

Despite increasing calls for greater transparency in philanthropic and impact investing spaces, **investors continue to struggle reporting on the impact of investments**. This impedes transparency. **Many factors affect the path to transparency**, including (but not limited to):

- internal human resource and technical capacity
- organizational structure, mandate, and age: embedded internal units for monitoring and evaluation; intricacy of operations; vision and guiding mental models around the investment strategy; maturity of data collection, analysis and reporting systems
- the size, type, number, and geographic spread/reach of investments
- reporting requirements: external legally mandated compulsions; requirements to principals/benefactors; financial requirements; investor-investee requirements. These may require actors to prioritize certain data reporting, and/or maintain the confidentiality of some or all data.

Insights on Invest-ED

The insights gleaned on data access, reporting, and transparency speak to the key strength of the Invest-ED tool. **Invest-ED collects standardized data in Modules I-III tied to adapted transparency and reporting standards. It also provides the space for investors to elaborate on the facts and figures, and to provide additional context and insights in Module IV.**

It is **flexible yet enables collection of comparable data** across regions and organizational types. The interview provides the opportunity to seek clarifications on and learn more about publicly accessible data related to the organization and its investments, as well as the opportunity to collect fine-grained, contextually sensitive data related to the organization and its work. For this reason, **Invest-Ed can be used across regions by different organizations investing in education**, and those using some different investing strategies simultaneously.

Insights for Scaling Up

The aims of this pilot project were to: (1) construct a data collection and reporting tool for organizations on financing flows and education sector activities; (2) pilot the tool with selected organizations operating in the sector; and (3) revise the tool and document the process for further refinement and potential replication to other regions. Despite the limited timeframe and resources, these aims were achieved. However, to scale-up the study Version 2 (Appendix I) should be piloted and broad-based feedback should be sought. Response rates are unlikely to improve without **integrating Invest-ED within a network of education-sector investors**. This may help to build social sector incentives to report and share investment data.

The tool alone does not address organizational capacity issues that limit some investors' ability to report. Therefore, implementing **Invest-ED requires researchers or organizations to provide or access specific support**. This includes taking the time to understand the ethical issues related to each organization – particularly in terms of what they are able to report externally versus information that must be kept confidential; flexibility around timelines, as many organizations do not have the necessary data on hand; an integrated approach within an organization, as it may require staff across different units to consolidate the necessary data; extra capacity to help organizations identify and collect specific data on education investments from organizational reports and websites or other sources; as well as capacity to follow-up on data collection, conduct analysis, and complete follow-up interviews as necessary.

In short, while **Invest-Ed has the potential to serve as a data collection tool to facilitate large scale, comparable data on investments in education across regions, it is not realistic to expect large groups of investors to implement it on their own**. Extra resourcing from funders and involvement by dedicated researchers are required the tool be implemented on a broad-scale, and to compile the data for robust synthetic analysis.

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Appendix I: Invest-ED Version 2 (August 2018)



Mapping Philanthropic and Impact Investors in Education in Asia Invest-ED Data Collection Tool (Version 2)

REVISED AUGUST 2018

Please contact the Principal Investigator for further information: Dr. Prachi Srivastava, Associate Professor, University of Western Ontario at prachi.srivastava@uwo.ca.

Please cite the full report when using Invest-ED (see p.2). Consult the administration guidelines in this report.

N.B. Organizations completing Invest-ED, partially or in its entirety, cannot claim to meet the requirements to prepare a report in accordance with GRI Standards and procedures. For more information on the GRI reporting procedures and standards, consult the 2016 Consolidated GRI Standards (GRI, 2016) and the GRI website.

| Completion Date | Completed By |
|-----------------|--------------|
| | |

INVEST-ED MODULE I: BACKGROUND DATA ON ORGANIZATION

1. Organization's Name [GRI 102-1]
2. Contact Information of Organizational Representative [~GRI 102-53]

| | |
|---------------------------------------|--|
| Name of Organizational Representative | |
| Title | |
| Email | |
| Phone Number | |
| Full Mailing Address | |

3. Where is your organization headquartered? [GRI 102-3]

4. List all other offices that your organization has and their locations. [~GRI 102-4]

5. When was the organization established? (Indicate the year.)

And in its current form? (Indicate year.)

6. How would you describe your organizational type? [~GRI 102-5]

| | |
|--|--|
| a. Private independent foundation | |
| b. Corporate foundation | |
| c. Family foundation | |
| d. Community foundation (privately supported) | |
| e. Public community foundation | |
| f. Charitable trust | |
| g. Philanthropic advisor or donor-advised fund | |
| h. Impact investor | |
| i. Private equity firm / fund | |
| j. Investment firm / group | |
| k. Legally recognized/registered non-profit organization | |
| l. Other (Specify) | |

If you are unsure, please provide description on main status, structure, funding sources, and registration as applies.

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7. Does your organization (Choose all that apply): [~GRI 201-1]

| | |
|------------------------------------|--|
| Provide grants | |
| Provide loans | |
| Implement programs/ initiatives | |
| Other (elaborate) | |

8. What is the starting month of your organization's financial year? [~GRI 102-50]
9. Which financial year is your organization currently in? [~GRI 102-50]

INVEST-ED MODULE II: INVESTMENT IN DEVELOPMENT SECTORS

Module II (Questions 10—13) refer to your organization's operations in all development sectors.

10. Referring to the previous financial year, which countries does your organization currently operate in?
[~GRI 102-6]

In which development sectors does your organization invest and/or implement initiatives?

For each country indicate the development sector(s) in which your organization invests and/or implements initiatives. Please complete Table 10.1 for grants and Table 10.2 for impact investments. Only complete the tables and columns that apply to your portfolio.

For grants, indicate the total number of grantees (i.e., organizations), grants, and the number of initiatives funded or implemented by your organization in that sector in that country. This can include initiatives directly or indirectly implemented by your organization. If you need additional space, please add rows.

For impact investments, indicate the total number of investees (i.e., organizations) and the total number directly and indirectly funded (as may be the case for advisories).

If you are unsure of which development sector an investment falls into, please use the following link for the sectors that may apply to your organization's portfolio.

<http://projects.worldbank.org/sector?lang=en&page=>

| Table 10.1 Grants Portfolio | | | | | | |
|-----------------------------|-----------------------|---|--------------------------------|------------------------------------|--|--|
| Country | Development Sector(s) | Total number of grantees (organizations) funded | Total number of grants awarded | Total Number of initiatives funded | Number of initiatives directly implemented | Number of initiatives indirectly implemented |
| | | | | | | |
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| Table 10.2 Impact Investment Portfolio | | | | |
|--|-----------------------|---|--|--|
| Country | Development Sector(s) | Total number of investees/impact enterprises funded | Number of investees/impact enterprises funded directly | Number of impact enterprises funded indirectly |
| | | | | |
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11. For each development sector, please indicate the percentage that the investment represents as a proportion of total grants/investments. [~GRI 201-1; ~GRI 102.6]

If you are unsure of the development sector, please refer to the following link for sectors that may apply to your organization's portfolio: <http://projects.worldbank.org/sector?lang=en&page=>

| | Percentage of total grants | Percentage of total investments |
|---|----------------------------|---------------------------------|
| Agriculture, fishing and forestry | | |
| Education | | |
| Energy and extractives | | |
| Financial sector | | |
| Health | | |
| Social support | | |
| Industry, trade and services | | |
| Information and communications technologies | | |
| Public administration | | |
| Transportation | | |
| Water, sanitation and waste management | | |

12. What was the value of total investments during the current financial year, and the previous financial year? Please specify total value. [~GRI 201-1; ~GRI 203-1]

| | Current Financial Year [Specify year] | Previous Financial Year [Specify year] |
|--------------------|--|---|
| Grants | | |
| Impact investments | | |
| Other [Specify] | | |

13. What is your organization's overall expected rate of return for all investments in all development sectors? [~GRI 201-1; ~GRI 203-1; ~GRI 203-2]

| | |
|---------------------------|--|
| a. 0 (no return expected) | |
| b. 0-5% | |
| c. 5-10% | |
| d. 10-15% | |
| e. 15-20% | |
| f. Greater than 20% | |

INVEST-ED MODULE III: EDUCATION SECTOR-SPECIFIC INVESTMENT AND ACTIVITIES

Module III (Q. 14—29) are aimed at better understanding your organization's activities and investments in education.

14. Referring to the previous financial year, what are all your organization's activities in education, and where does it operate in education? If you need more space, please add additional rows. [~GRI 102-4; ~GRI 102-6]

*Education sector refers to: early childhood education; primary education; secondary education; tertiary education; workforce development and vocational education; adult basic and continuing education; public administration—education; other. If you are unsure of the education sector, please refer to the following link: https://drive.google.com/open?id=1I7n_YSyFHpwI9x9x3hYAb8fV15IYmkGr

| Name | Grantee; Investee; Initiative (Indicate) | Education Sector* | Country(ies) | Funded (Indicate with an 'X' if funded) | Directly implemented (Indicate with an 'X' if directly implemented) | Implemented through another organization. (Indicate with an 'X' and provide name and location.) |
|------|---|----------------------|--------------|--|--|---|
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15. Of these, which are the top-3 by level of investment? Please list in order of amount invested (1st, 2nd, 3rd). [~GRI 201-1; ~GRI 203-1]

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16. Which are the top-3 by level of impact? Please list in order of impact (1st, 2nd, 3rd). [~GRI 102-15]

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We will now refer to the top-3 education investments you mention above (Q. 15) by value of investment for the previous financial year.

17. Please provide information on the **top three education investments by amount invested**. We are interested in knowing more about: when your organization's support began, the funding/investment cycle, and if there are other co-funding partners or investors involved.

| Name | First year of support | Funding period/ projected exit date | Purpose of investment | Other partners investing? (yes/no/don't know) | Names of co-funding partners/ other investors if known |
|------|-----------------------|--|-----------------------|--|--|
| | | | | | |
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18. Please provide information on the **top three education investments by amount invested**. We are interested in knowing more about: where they operate, who the target groups are, and in the case of a specific programs or initiative, whether it is directly implemented by your organization or through another organization [~GRI 102-4; ~GRI 102-6].

| Name | First year of operation | Country(ies) of Operation | Area focus (Urban, peri-urban, or rural) | Target Group | Implemented by another organization? (yes/no) | Details on implementing organization(s) (name, type, location, and address) |
|------|-------------------------|---------------------------|---|--------------|--|---|
| | | | | | | |
| | | | | | | |
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19. Referring to your organization's top three education activities **top three education investments by amount invested**, please provide information regarding evaluation, if any. [~GRI 102-29]

| Name | Internally evaluated? If yes, year of evaluation. | Externally evaluated? If yes, year of evaluation. | If externally evaluated, by whom? | How was impact defined? Append any evaluation reports available. |
|------|---|---|-----------------------------------|--|
| | | | | |
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20. Once again referring to the organization's top three education activities **top three education investments by amount invested**, please provide information on the level of investment. [~GRI 201-1, ~GRI 203-1]

| Name | Proportion of investment as a proportion of total investments | Proportion of investment as proportion of all education investments | Amount Invested | Investment Range (Please choose 1 for each investment named) (USD) A. Below \$100,000 B. Between \$100,000-\$1 million C. Between \$1 million-\$5 million D. Above \$5 million |
|------|---|---|-----------------|---|
| | | | | |
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We will now refer to the top-3 education investments you mention above (Q. 16), by impact for the previous financial year. Complete Q. 21—25 only if investments are not already covered in Q. 17—20 above.

21. Please provide information on the **top three education investments by impact**. We are interested in knowing more about: when your organization's support began, the funding/investment cycle, and if there are other co-funding partners or investors involved.

| Name | First year of support | Funding period/ projected exit date | Purpose of investment | Other partners investing? (yes/no/don't know) | Names of co-funding partners/ other investors if known |
|------|-----------------------|--|-----------------------|--|--|
| | | | | | |
| | | | | | |
| | | | | | |

22. Please provide information on the **top three education investments by impact**. We are interested in knowing more about: where they operate, who the target groups are, whether it is directly implemented by your organization or through another organization. [~GRI 102-4; ~GRI 102-6]

| Name | First year of operation | Country(ies) of Operation | Area focus (Urban, peri-urban, or rural) | Target Group | Implemented by another organization? (yes/no) | Details on implementing organization(s) (name, type, location, and address) |
|------|-------------------------|---------------------------|--|--------------|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |

23. Referring to your organization's top three education activities **top three education investments by impact**, please provide us with information regarding evaluation. [~GRI 102-29]

| Name | Internally evaluated? If yes, year of evaluation. | Externally evaluated? If yes, year of evaluation. | If externally evaluated, by whom? | How is impact defined? Append any evaluation reports available. |
|------|---|---|-----------------------------------|---|
| | | | | |
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24. Once again referring to the organization's top three education activities **top three education investments by impact**, please provide us with information on the level of investment. [~GRI 201-1, ~GRI 203-1]

| Name | Proportion of investment as a proportion of total investments | Proportion of investment as proportion of all education investments | Amount Invested | Investment Range (Please choose 1 for each investment named) (USD) A. Below \$100,000 B. Between \$100,000-\$1 million C. Between \$1 million-\$5 million D. Above \$5 million |
|------|---|---|-----------------|---|
| | | | | |
| | | | | |
| | | | | |

25. When did your organization first:

a. provide grants in education? (Indicate start year.)

b. start impact investment in education? (Indicate start year)

c. provide funding/make investments through other mechanisms? (Indicate start year and funding/investment mechanism)

26. What was the value education investments in the following years? Please specify total value. [~GRI 201-1, ~GRI 203-1]

| | Current Financial Year [Specify year] | Previous Financial Year [Specify year] |
|--------------------|--|---|
| Grants | | |
| Impact investments | | |
| Other (specify) | | |

27. What is/are the source(s) of your organization's education financing? [~GRI 201-1]

| | |
|---------------------------|--|
| a. Profits | |
| b. Employee contributions | |
| c. Matching funds | |
| d. Endowment | |
| e. Donations | |
| f. Partner investors | |
| g. Membership fees | |
| h. Other | |

28. What is your organization's expected overall rate of return for education investments? [~GRI 201-1, ~GRI 203-1; ~GRI 203-2]

| | |
|---------------------------|--|
| a. 0 (no return expected) | |
| b. 0-5% | |
| c. 5-10% | |
| d. 10-15% | |
| e. 15-20% | |
| f. Greater than 20% | |

29. Does your organization provide any funding that is dependent on the grantee/investee delivering results before funding is disbursed (i.e., results-based financing)?

| | | |
|-----|--|--------------------------|
| Yes | | <i>Proceed to Q27-28</i> |
| No | | <i>Skip to Module IV</i> |

30. If your organization engages in result-based financing as outlined above, please provide additional detail.

| | |
|---|--|
| What percentage of the education portfolio is provided this way? | |
| Does your organization provide any advances or pre-financing to support the implementing organization/service provider? | |
| What indicators are used to measure results? | |

31. What are some of the key advantages and/or challenges your organization faced in making payment dependent upon results?

| |
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INVEST-ED MODULE IV: DECISION-MAKING, MOTIVATIONS, AND CHALLENGES

Module IV is intended to be completed as a semi-structured interview.

32. Has the level of investment in education by your organization changed over time?
 - If so, what ways? What influenced this change?
 - If not, why do you think this is so?
33. How does your organization foresee investing in education over the next three years?
 - Probe on whether investment may expand, decrease, or remain as is, and why
34. Why does your organization invest in education? [GRI 201-1, ~GRI 203-1; ~GRI 203-2]
 - Which of those motivations would you say are the most important, and why?
 - Probe further if any of the following issues are touched on:
 - Financial Return of investment
 - Social Return / Social impact
 - Developing a future stream of employable workers for own company/organization
35. How are investment priorities in education decided? [GRI 102-20; GRI 102-26; GRI 102-29]
 - Who decides where, in which programming/sectoral areas? How?
 - What criteria does your organization apply when selecting grantees/investment opportunities in education?
36. When making decisions about funding priorities in education, does your organization coordinate with or consult with any other organizations or networks?
 - Which ones? Why? [GRI 102-21]
37. What was the biggest challenge that your organization faced when investing in education?
 - Why do you think that was so?
 - How did the organization respond/what did it do to alleviate the challenge?
38. If you had to advise another private foundation/impact investor who wanted to invest in education, what would you tell them?
 - About opportunities for investing in education
 - About minimising challenges
 - About maximising impact
39. Do you have anything further that you would like to add, or something that you feel you did not get an opportunity to discuss?
40. May we contact you with follow-up questions?

| | |
|-----|--|
| Yes | |
| No | |

Appendix II: Additional Tools and Resources Reviewed for Invest-ED Development

- Achleitner, A.-K., Spiess-Knafl, W., Heinecke, A., Schöning, M., & Noble, A. (2011). Social investment manual: An introduction for social entrepreneurs. Social Investment Task Force comprised of Technical University Munich, Schwab Foundation Community for Social Entrepreneurs, and Schwab Foundation for Social Entrepreneurship. Retrieved from www.schwabfound.org/pdf/schwabfound/SocialInvestmentManual.pdf
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- B Lab. (2017). B Impact assessment standards navigator. B Analytics 2.1. <http://b-analytics.net/content/standards-navigator>¹⁹
- Bridges Ventures. (2013). Bridges IMPACT Report: A spotlight on our methodology. London: Bridges Ventures. Retrieved from http://bridgesventures.com/wp-content/uploads/2015/03/IMPACT_REPORT_2013-for-printer1.pdf
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¹⁹ Also available at B Impact Assessment and GIIRS Rating at: <https://iris.thegiin.org/b-impact-assessment-metrics>

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- Portfolio, Risk, Impact, and Sustainability Measurement [PRISM].²⁰ Metric framework. New York: GIIN. <https://iris.thegiin.org/users/profile/prism>
- Saltuk, Y., El Idrissi, A., Bouri, A., Mudaliar, A., & Schiff, H. (2015). Eyes on the horizon: The impact investor survey. Global Social Finance. GIIN. Retrieved from [https://thegiin.org/assets/documents/pub/2015.04 Eyes on the Horizon.pdf](https://thegiin.org/assets/documents/pub/2015.04_Eyes_on_the_Horizon.pdf)
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²⁰ Located but not separately reviewed. PRISM extracts relevant IRIS metrics. Review done under IRIS. Referenced for completeness.

[content/uploads/Tideline_Navigating_Impact_Investing_Working_Paper.pdf?utm_source=site&utm_medium=download&utm_campaign=downloads](#)

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